



Katie Winchester
President, CEO,
& Chairman of the Board

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October 21, 2005

Mr. John F. Carter
Regional Director
Federal Deposit Insurance Corporation
25 Jessie Street at Ecker Square, Suite 2300
San Francisco, CA 95105

**Re: Comments Regarding FDIC Application #20051977; Wal-Mart
Application for Insurance and Industrial Bank Charter**

Dear Mr. Carter:

I am writing to oppose the application of Wal-Mart Stores, Inc., for Federal deposit insurance coverage for an ILC charter in Utah. I am a community banker and believe strongly that allowing Wal-Mart to own a bank charter and potentially open branches in its network of stores would do irreparable harm to my community and my institution, and pose a severe systemic risk to our nation's economy.

I am aware that Wal-Mart has stated that it intends to operate a limited ILC charter in Utah. I am skeptical. **Their assurances that the operation will remain narrow rings hollow in the context of the company's history and corporate philosophy.** This is Wal-Mart's fourth attempt to get into the banking business. Wal-Mart's CEO says he wants to grow the company and provide financial services to its customers. It is not much of a stretch to conclude that somewhere down the road, Wal-Mart will be amending its business plan to allow it to offer a full array of banking services. This must not be allowed to happen.

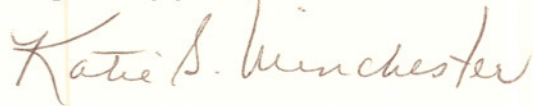
Wal-Mart did not open stores in communities throughout the nation to be civic partners with local merchants; they opened stores to drive local merchants out of business and steal their customers, which is just what they did. **The largest company in the world could do the same thing to community banks.** The FDIC would be ill advised to set this nation on a course that could result in the demise of the community banking industry as we know it today.

Congress reaffirmed our nation's long-standing policy against the mixing of banking and commerce, and with good reason. **Mixing banking and commerce would create serious conflicts of interest and distort credit decisions.** The impartial allocation of credit is the linchpin of our financial system and must be preserved. Would a Wal-Mart Bank offer credit at reasonable terms to its competitors? Would Wal-Mart require its suppliers to bank at the Wal-Mart bank?

Even more importantly, the largest company in the world owning a bank would produce a dangerous concentration of economic power and resources that would pose severe systemic risks to our economy. Our nation cannot afford to take that risk to save Wal-Mart a couple of pennies on each credit and debit card transaction.

For the sake of the community banks of our nation and the customers and communities we serve, please do not allow Wal-Mart to get into the banking business. **Make a statement for fair competition and consumer choice by denying Wal-Mart's application for deposit insurance.**

Respectfully yours,



Katie S. Winchester